

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

- v. -

10 Cr. 895 (PGG)

KAREN MARKOSIAN,

Defendant.

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SENTENCING MEMORANDUM OF THE UNITED STATES OF AMERICA

PREET BHARARA

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New York,

Attorney for the United States of America

JENNIFER E. BURNS

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SENTENCING MEMORANDUM OF THE UNITED STATES OF AMERICA

The Government respectfully submits this sentencing memorandum in advance of the sentencing of Karen Markosian (the “defendant”), which is currently scheduled to take place on May 14, 2014. The Government requests that the Court impose a sentence within the Guidelines Range of 46 to 57 months’ imprisonment, stipulated to by the parties in the plea agreement.

BACKGROUND

I. The Guilty Plea and Plea Agreement

On January 7, 2014, the defendant pleaded guilty before Magistrate Judge Sarah Netburn to Count Four of the Indictment pursuant to a plea agreement. Pursuant to the plea agreement, the parties stipulated to the following Guidelines calculations:

The base offense level is 8 pursuant to U.S.S.G. § 2S1.1(a)(2).

Pursuant to U.S.S.G. § 2B1.1(b)(1)(H), 14 levels are added because the loss amount is greater than \$400,000 and less than \$1,000,000.

Because the defendant was convicted under Title 18, United States Code, Section 1956, two levels are added pursuant to U.S.S.G. § 2S1.1(b)(2)(B).

Assuming the defendant clearly demonstrates acceptance of responsibility, to the satisfaction of the Government, through his allocution and subsequent conduct prior to the imposition of sentence, a 2-level reduction will be warranted, pursuant to U.S.S.G. § 3E1.1(a). Furthermore, assuming the defendant has accepted responsibility as described in the previous sentence, an additional 1-level reduction is warranted, pursuant to U.S.S.G. § 3E1.1(b), because the defendant gave timely notice of his intention to enter a plea of guilty, thereby permitting the Government to avoid preparing for trial and permitting the Court to allocate its resources efficiently.

Based on the above, the applicable Guidelines offense level is 21. The parties also

stipulated the defendant had six criminal history points, calculated as follows:

1. On or about December 3, 2012, the defendant was convicted of conspiracy to commit bank fraud, aiding and abetting bank fraud, and two counts of aggravated identity theft, in the U.S. District Court for the Central District of California, in violation of Title 18, United States Code, Sections 1349, 1344, 2 and 1028(A), and sentenced to 259 months' imprisonment. Pursuant to U.S.S.G. § 4A1.1(a), 3 criminal history points are added.

2. On or about September 24, 2013, the defendant was convicted of participating in a racketeering conspiracy, in the U.S. District Court for the Central District of California, in violation of Title 18, United States Code, Section 1962(d), and sentenced to 37 months' imprisonment to run concurrently to the sentence described above. Pursuant to U.S.S.G. §§ 4A1.1(a) and 4A1.2(a)(2), 3 criminal history points are added.

At an offense level of 21 and Criminal History Category of III, the stipulated Guidelines range is 47 to 56 months' imprisonment. The Probation Department reached the same result in its Presentence Report.

III. A Sentence Within the Guidelines Range of 47 to 56 Months' Imprisonment is Appropriate

Markosian was not a participant in the core Medicare fraud but did assist members of the enterprise in laundering \$400,000 to one million dollars of proceeds from that fraud. Markosian did this by taking checks written from CMS to the phantom clinics, which he typically received from Mirzoyan or one of his underlings, and laundering those checks either through check cashing facilities or his own jewelry store.

Markosian's history and characteristics also call for a Guidelines range sentence. As detailed in the PSR, Markosian is a member of Armenian Power, a violent organization that engaged in rampant fraud in the California area. Although Markosian was not alleged to have personally committed acts of violence in connection with that gang, he did participate in rampant fraud and identity theft. To that end, Markosian is currently serving a 259 month term of imprisonment. The Government does not disagree with defense counsel's position that Your

Honor has the discretion to impose the instant sentence to run concurrently or consecutively to the California sentences.

CONCLUSION

The Government respectfully submits that a sentence within the Guidelines range of 47 to 56 months' imprisonment would be sufficient but not greater than necessary to serve the legitimate purposes of sentencing.

Dated: New York, New York
May 8, 2014

Respectfully submitted,

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